



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-570-878]

Saccharin from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Intent to Rescind in Part

AGENCY: Import Administration, International Trade Administration, Department of Commerce

DATES: [Insert date of publication in the *Federal Register*].

SUMMARY: The U.S. Department of Commerce ("the Department") is conducting an administrative review of the antidumping duty order on saccharin from the People's Republic of China ("PRC") for the period of review ("POR") July 1, 2010, through June 30, 2011, covering 12 manufacturers/exporters of subject merchandise from the PRC.<sup>1</sup> The Department intends to rescind the review with respect to Kingchem LLC ("Kingchem"), for which the request for review was timely withdrawn. The Department preliminarily finds that, because none of the companies located in the PRC established eligibility for a separate rate, they will be treated as part of the PRC-wide entity. The Department also finds that the third-country exporters, because they do not have individual exporter rates, will continue to be subject to the cash deposit and assessment rates applicable to their PRC suppliers, in accordance with the Department's longstanding practice.<sup>2</sup>

We intend to issue the final results no later than 120 days from the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act").

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Revocation in Part*, 76 FR 53404 (August 26, 2011) ("Initiation").

<sup>2</sup> See e.g., *Chrome-Plated Lug Nuts From the People's Republic of China; Final Results of Antidumping Administrative Review*, 60 FR 48687 (September 20, 1995) and *Certain Frozen Fish Fillets From the Socialist Republic of Vietnam: Final Results and Partial Rescission of the Seventh Antidumping Duty Administrative Review*, 77 FR 15039 (March 14, 2012).

FOR FURTHER INFORMATION CONTACT: Paul Stolz, AD/CVD Operations, Office 8, Import Administration, International Trade Administration, U. S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474.

#### SUPPLEMENTARY INFORMATION:

##### Background

On July 1, 2011, the Department published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty order on saccharin from the PRC for the period July 1, 2010 through June 30, 2011.<sup>3</sup> On July 28, 2011, the Department received a timely request from Kinetic Industries (“Kinetic”), in accordance with 19 CFR 351.213(b), for an administrative review of this order. Kinetic submitted a second timely request on July 29, 2011, naming a twelfth respondent. On August 26, 2011, in accordance with section 751(a) of the Tariff Act of 1930, as amended (“the Act”), the Department published in the *Federal Register* the initiation notice of this antidumping duty administrative review with respect to the 12 companies covered by Kinetic’s requests for review.<sup>4</sup> On October 25, 2011, the Department placed on the record U.S. Customs and Border Protection (“CBP”) import data which indicates that none of the companies named in the *Initiation* had suspended entries of subject merchandise into the United States during the POR.<sup>5</sup>

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<sup>3</sup> See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 76 FR 38609 (July 1, 2011).

<sup>4</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 76 FR 53404 (August 26, 2011) (“*Initiation*”). The *Initiation* covered the following companies: 1) Pingdingshan Coal Group Kaifeng Xinghua Fine Chemical Plant (“Fine Chemical”); 2) Tianjin Changjie Chemical Co., Ltd. (“Changjie Chemical”); 3) Tianjin North Food Co., Ltd. (“North Food”); 4) Hangzhou Embaiking Pharmaceutical Corp. Ltd. (“Embaiking Pharmaceutical”); 5) Escalade Ltd./Escalade Israel Ltd. (“Escalade”); 6) The High Trans Corporation (“High Trans Corporation”); 7) The Seicheng Chemical Company (aka Sei Cheng) (“Seicheng Chemical”); 8) Yuan Shan Co. Ltd. (“Yuan Shan”); 9) Sin-Ho Trading Co. Ltd. (aka Xin He) (“Sin-Ho Trading”); 10) Long Hwang Chemicals Co. Ltd. (aka Lung Huang Trading) (“Long Hwang Chemicals”); 11) Sun Disc Company, Ltd. (“Sun Disc”); and 12) Kingchem.

<sup>5</sup> See Memorandum to the File, “Saccharin from the People’s Republic of China: Release of U.S. Entry Documents from the Department’s August 25, 2011 Request – A-570-878,” (“Release of Entry Data”) dated October 25, 2011.

The Department invited comments regarding the CBP data and respondent selection but received none. In addition, the Department issued a no-shipment inquiry to CBP on December 21, 2011, covering the companies located in the PRC and the third-country exporters (except Kingchem).<sup>6</sup> The inquiry requested CBP to report any evidence of shipments during the POR by these companies but did not request a response if no such evidence exists. The Department did not receive a response from CBP.

### **Scope of the Order**

The product covered by this antidumping duty order is saccharin. Saccharin is defined as a non-nutritive sweetener used in beverages and foods, personal care products such as toothpaste, table top sweeteners, and animal feeds. It is also used in metalworking fluids. There are four primary chemical compositions of saccharin: (1) Sodium saccharin (American Chemical Society Chemical Abstract Service (“CAS”) Registry 128-44-9); (2) calcium saccharin (CAS Registry 6485-34-3); (3) acid (or insoluble) saccharin (CAS Registry 81-07-2); and (4) research grade saccharin. Most of the U.S.-produced and imported grades of saccharin from the PRC are sodium and calcium saccharin, which are available in granular, powder, spray-dried powder, and liquid forms. The merchandise subject to this order is currently classifiable under subheading 2925.11.00 of the *Harmonized Tariff Schedule of the United States* (“HTSUS”) and includes all types of saccharin imported under this HTSUS subheading, including research and specialized grades. Although the HTSUS subheading is provided for convenience and customs purposes, the Department’s written description of the scope of this order remains dispositive.

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<sup>6</sup> The Department's no-shipment inquiry is located on the CBP website under message number 1355309, dated December 21, 2011. See <http://adcdvd.cbp.gov>.

### **Intent to Rescind the Administrative Review in Part**

19 CFR 351.213(d)(1) provides that the Department will rescind an administrative review if the party that requested the review withdraws its request for review within 90 days of the date of publication of the notice of initiation of the requested review, or withdraws it at a later date if the Department determines it is reasonable to extend the time limit for withdrawing the request. The Department initiated this administrative review on August 26, 2011.<sup>7</sup> On August 30, 2011, Kinetic timely withdrew its request for review covering Kingchem in accordance with 19 CFR 351.213(d)(1). No other party requested a review of Kingchem. However, Kingchem does not have a separate rate but is part of the PRC-wide entity which continues to be under review. Therefore, the Department intends to rescind this review with respect to Kingchem at the final results of review.

### **The PRC-Wide Entity**

Fine Chemical, Changjie Chemical, North Food, and Embaiking Pharmaceutical, all companies located in the PRC, did not submit separate rate applications or certifications to demonstrate their eligibility for separate rate status. As stated in the *Initiation*, “[a]ll firms listed below that wish to qualify for separate-rate status in the administrative reviews involving NME countries must complete, as appropriate, either a separate-rate application or certification, as described below.”<sup>8</sup> Because Fine Chemical, Changjie Chemical; North Food, and Embaiking Pharmaceutical did not demonstrate that they were entitled to a separate rate, the Department preliminarily finds that they should be considered part of the PRC-wide entity for this review.

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<sup>7</sup> See *Initiation*.

<sup>8</sup> See *id.*, 76 FR at 53405.

**Third-Country Exporters**

CBP data reviewed by the Department do not show any reviewable entries of subject merchandise made by the third-country exporters Escalade, High Trans Corporation, Seicheng Chemical, Yuan Shan, Sin-Ho Trading, Long Hwang Chemicals, and Sun Disc during the POR. There is no information on the record of this proceeding indicating that the third-country exporters made entries of subject merchandise during the POR. Because these companies are located outside of the PRC, and they do not have individual exporter rates, the Department preliminarily determines that their entries of subject merchandise will be assessed at the rate applicable to their PRC suppliers.

**Assessment Rates**

If these preliminary results of review and intent to rescind are adopted in the final results, then antidumping duties will be assessed as follows. For all shipments of the subject merchandise by the PRC-wide entity entered, or withdrawn from warehouse, for consumption during the POR we intend to instruct CBP to assess antidumping duties at the *ad valorem* PRC-wide entity rate of 329.94 percent. For all non-PRC exporters of subject merchandise which have not received their own rate, we intend to instruct CBP to assess the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. The Department intends to issue assessment instructions directly to CBP 15 days after the publication of the final results in the *Federal Register*.

### **Cash Deposit Requirements**

If these partial preliminary results are adopted in the final results, then the following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act:

1) for previously investigated or reviewed PRC and non-PRC exporters that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; 2) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide entity rate of 329.94 percent; and 3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These requirements, when imposed, shall remain in effect until further notice.

### **Disclosure and Public Comment**

Since no calculations were performed for these partial preliminary results, no disclosure is required under 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Any hearing will be held 37 days after the publication of this notice, or the first business day thereafter unless the Department alters the date pursuant to 19 CFR 351.310(d). Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the *Federal Register* to the Assistant Secretary for Import Administration, U.S. Department of Commerce, pursuant to the Department's e-filing regulations.<sup>9</sup> Requests for a public hearing should contain: (1) The

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<sup>9</sup> See <https://iaaccess.trade.gov/help/IA%20ACCESS%20User%20Guide.pdf>.

party's name, address, and telephone number; (2) the number of participants; and (3) to the extent practicable, an identification of the arguments to be raised at the hearing.

Unless otherwise notified by the Department, interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(1)(ii). As part of the case brief, parties are encouraged to provide a summary of the arguments and a table of authorities cited in accordance with 19 CFR 351.309(c)(2). Rebuttal briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the case brief is filed in accordance with 19 CFR 351.309(d). All briefs must be filed in accordance with the Department's e-filing regulations.<sup>10</sup> Parties should confirm by telephone the time, date, and place of the hearing within 48 hours before the scheduled time. The Department intends to issue the final results of this review, which will include the results of its analysis of issues raised in the briefs, not later than 120 days after the date of publication of this notice in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(1).

### **Notification to Importers**

This notice serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

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<sup>10</sup> *Id.*

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.213(d)(4).

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Paul Piquado  
Assistant Secretary  
for Import Administration

\_\_\_\_ April 2, 2012 \_\_\_\_\_  
(date)

[FR Doc. 2012-8866 Filed 04/11/2012 at 8:45 am; Publication Date: 04/12/2012]